



**CITY OF LODI
COUNCIL COMMUNICATION**

AGENDA TITLE: Adopt resolution authorizing the City Manager to allocate a Public Benefits Program grant in the amount of \$25,000 to Kubota Tractor Corporation for a demand-side management project (EUD)

MEETING DATE: March 2, 2005

PREPARED BY: Electric Utility Director

RECOMMENDED ACTION: That the City Council adopt a resolution authorizing the City Manager to allocate a Public Benefits Program grant in the amount of \$25,000 to Kubota Tractor Corporation for a demand-side management project.

BACKGROUND INFORMATION: Kubota Tractor Corporation recently opened their new distribution, warehouse and office facility at 1175 South Guild Avenue. From an energy efficiency perspective, the facility is truly state-of-the-art.

The proposed Public Benefits Program grant of \$25,000 is the maximum grant amount available to large retail or industrial customers in Lodi. The grant is for designated and approved energy efficiency measures, recommended by Electric Utility staff, installed at the new Kubota facility.

Specifically, officials with Kubota Tractor Corporation installed the following energy efficiency or conservation products:

- > high efficiency lighting and controls, including- electronic ballast, occupancy sensors, LED exit signs, over 420 T-5 high bay fluorescent lamps, 125 T-8 fluorescent lamps, photocells for outdoor lighting control, and an energy management system to maintain and control the entire facilities lighting panel;
- > five air conditioning units, ranging in size from 3-ton to 6-ton, with an energy efficiency rating of 12.0 or greater (in December of 2005, the new Lodi efficiency standard for air conditioners in this size range will increase to 13.0 Seasonal Energy Efficiency Rating, which will also be the new federal standard);
- > 141 skylights (often referred to as 'Tree lighting' or 'day lighting' – by using skylights, a customer reduces the need to operate electric-fired lights); and
- > energy efficient, dual-paned windows (with dual glazing) for the office section of the facility.

All total, Kubota Tractor Corporation invested just over \$168,000 in recommended energy efficiency improvements in the Lodi facility. By incorporating these advanced technologies and building envelope improvements (skylights and windows), Kubota will reduce monthly energy consumption by a minimum of 25 percent (this figure is determined by comparing standard technologies to the more advanced, approved energy efficient technologies outlined above).

APPROVED: 
Blair King, City Manager

Adopt resolution authorizing the City Manager to allocate a Public Benefits Program grant in the amount of \$25,000 to Kubota Tractor Corporation for a demand-side management project (EUD)

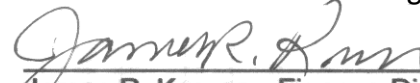
March 2, 2005

Page 2 of 2

Electric Utility staff respectfully recommends approval of this grant as a qualifying component of the City of Lodi Public Benefits Program, under the category of demand-side management. ***Note: the utility has discussed with Kubota Tractor officials the potential of utilizing their new facility as a site to demonstrate advanced energy efficiency technologies to existing Lodi customers (as well as any future large retail or industrial customers) considering energy conservation projects.***

FUNDING: 164605 – Public Benefits Program (Category: Demand-side Management)

Funding Approval:


James R. Krueger, Finance Director


Alan N. Vallow,
Electric Utility Director

Prepared By: Rob Lechner, Manager, Customer Service and Programs

ANV/RL/1st

c: City Attorney

RESOLUTION NO. 2005-41

A RESOLUTION OF THE LODI CITY COUNCIL AUTHORIZING THE CITY
MANAGER TO PROVIDE A PUBLIC BENEFITS PROGRAM GRANT –
DEMAND-SIDE MANAGEMENT PROJECT TO KUBOTA TRACTOR
CORPORATION (\$25,000)

=====

WHEREAS, the State has mandated that beginning January 1, 1998, the City of Lodi is obligated to fund various programs through a Public Benefits Charge based on an historical electric revenue requirement; and

WHEREAS, the requirement amounts to approximately \$1 million per year that must be dedicated to qualifying programs such as energy efficiency. A further stipulation is that these efforts must be done on the customer's side of the meter in order to qualify; and

WHEREAS, the City of Lodi's Public Benefits Program is comprised of four segments or customer groups: *commercial/industrial*, residential, *community/non-profit*, and municipal; and

WHEREAS, Kubota Tractor Corporation recently opened its new energy efficient state-of-the-art distribution warehouse and office facility located at 1175 South Guild Avenue; and

WHEREAS, the proposed Public Benefits Program grant of \$25,000 is the maximum grant amount available to large retail or industrial customers in Lodi. The grant is for designated and approved energy efficiency measures, recommended by Electric Utility staff, and installed at the new Kubota facility as outlined below:

- > high efficiency lighting and controls, including electronic ballast, occupancy sensors, LED exit signs, over 420 T-5 high bay fluorescent lamps, 125 T-8 fluorescent lamps, photocells for outdoor lighting control, and an energy management system to maintain and control the entire facilities lighting panel;
- > five air conditioning units, ranging in size from 3 ton to 6 ton, with an energy efficiency rating of 12.0 or greater (in December of 2005, the new Lodi efficiency standard for air conditioners in this size range will increase to 13.0 Seasonal Energy Efficiency Rating, which will also be the new federal standard);
- > 141 skylights (often referred to as "free lighting" or "day lighting" – by using skylights, a customer reduces the need to operate electric-fired lights); and
- > energy efficient, dual-paned windows (with dual glazing) for the office section of the facility.

WHEREAS, Electric Utility staff recommends approval of this grant as a qualifying component of the City of Lodi Public Benefits Program, under the category of demand-side management.

NOW, THEREFORE, BE IT RESOLVED that the Lodi City Council hereby authorizes the City Manager to provide a Public Benefits Program Grant – demand-side management project to Kubota Tractor Corporation in the amount of \$25,000.

Dated: March 2, 2005

=====

I hereby certify that Resolution No. 2005-41 was passed and adopted by the City Council of the City of Lodi in a regular meeting held March 2, 2005, by the following vote:

AYES: COUNCIL MEMBERS – Hansen, Hitchcock, Johnson, Mounce,
and Mayor Beckman

NOES: COUNCIL MEMBERS – None

ABSENT: COUNCIL MEMBERS – None

ABSTAIN: COUNCIL MEMBERS – None

A handwritten signature in black ink, appearing to read "Susan J. Blackston", with a stylized, flowing script.

SUSAN J. BLACKSTON
City Clerk